

***State of New Jersey
State Investment Council***

Regular Meeting

The Rutgers Inn and Conference Center
178 Ryders Lane, New Brunswick NJ 08901-88556

Thursday, September 17, 2009

NOTE: This meeting will begin at 3 p.m.

A G E N D A

I. Call to Order

Orin Kramer, Chair
Jonathan Berg, Vice Chair
Erika Irish Brown
W. Montgomery "Monty" Cerf
Jose R. Claxton
James Clemente
Susan Ann Crotty
Mark Kandrak
James C. Kellogg
Karl Kleeberg
Douglas A. Love
James P. Marketti
Timothy McGuckin

William G. Clark, Director, Division of Investment
Ray A. Joseph, Deputy Director, Division of Investment
Gilles Michel, Assistant Director, Division of Investment
Brian Arena, Investment Officer, Division of Investment
James Falstraalt, Investment Officer, Division of Investment
Susan M. Burrows, Chief Administrative Officer/Secretary to the Council
Maneck Kotwal, Investment Officer, Division of Investment
Philip Pagliaro, Senior Portfolio Manager
Christine Pastore, Investment Officer, Division of Investment
Timothy Patton, Senior Portfolio Manager
Susan Sarnowski, Compliance Officer
Rubin Weiner, Deputy Attorney General

II. Notice of Meeting

The Secretary reports that notice of the regular meeting scheduled for September 17, 2009 was sent by mail deposited in the post office, by facsimile and email on September 1, 2009. An amended notice with a change in location was published September 3. A copy of the revised

notice is on file as posted in the Division and sent to the Council, the **Times of Trenton**, the **Star-Ledger**, the **Bergen Record**, the **Courier Post** and the Secretary of State.

III. *Approval of Minutes*

- A. Approval of the Minutes of the regular meeting of the Council held on July 9, 2009.

IV. *Reports of Director Clark*

- A. Memorandum from Director Clark to the Council, dated September 11, 2009, entitled "Investment Reports."
- B. Memorandum from Director Clark to the Council, dated September 11, 2009, entitled "Review of Fiscal Year 2009 Performance."

V. *Committee Reports*

- A. There are no standing committee reports.

Executive Committee/Audit Committee; Communications and Public Employee Relations Committee; Corporate Governance Committee and Diversity Committee; Economically Targeted Investment Committee; Incentive Compensation Committee; and Investment Policy Committee.

- B. Nominating Committee Report

1. Election of Chair and Vice Chair

- C. Appointment of the Executive Committee by Council Chair

- D. Appointment to Committees by Council Chair

VI. *Pending Matters.*

A. Status of Proposed Amendments Filing

Proposed amendments to N.J.A.C. 17:16-12, 16 and 40 regarding investments in fixed income and non-convertible preferred stock as approved by the Council at the July 9, 2009 meeting were published in the *New Jersey Register* on September 8, 2009. The 60-day comment period ends on November 7, 2009.

VII. New Business

A. For Action by the Council

1. Memorandum from Director Clark to the Council, dated September 9, 2009, entitled "Adopted Amendments to N.J.A.C. 17:16-17."
2. Memorandum from Director Clark to the Council, dated September 9, 2009, "Approval of Proposed Repeal of N.J.A.C.17:16-2 for filing with the Office of Administrative law; proposed repeal of the State Investment Council Policy and Procedures with respect to the engagement of external investment managers; proposed adoption of the State Investment Council Policy and Procedures with respect to the engagement of investment advisors."
3. Memorandum from Director Clark to the Council, dated September 9, 2009, entitled, "Alternative Investments Valuation Policy and Due Diligence Procedures."

B. For the Information of the Council

1. Verbal updates from industry involvement by Director Clark and Council Members
2. Memorandum from Senior Investment Analyst Joanna Ng to the Council dated September 11, 2009, entitled "Proposed Change to Fixed Income Benchmark."
3. Verbal update by Investment Officer Christine Pastore on the search for funds and fund managers focused on private equity secondaries.
4. Memorandum from Director Clark to the New Jersey Legislature, dated September 3, 2009, entitled "Report to the New Jersey Legislature (Investments in Sudan)"
5. Memorandum from Chief Administrative Officer Burrows to the Council, dated September 11, 2009, entitled "Investment News Clips for September 2009 Council Meeting."

VIII. Communications

State Treasurer's Report – The Honorable R. David Rousseau, State Treasurer

IX. Public Comment

- A. Speakers as registered.

X. *Executive Session*

The Council will adjourn to Executive Session to receive advice from the Attorney General's Office.

XI. *Next Meeting*

October 15, 2009

Noon Lunch/1 p.m. Meeting

Rutgers Student Center
Multi-Purpose Room B
126 College Avenue
New Brunswick, NJ 08901

XII. *Adjournment*



Susan M. Burrows
Secretary to the Council